UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

UNCTAD

TRADE POLICY AND SUSTAINABLE DEVELOPMENT MEETING

Geneva, 6 – 8 October 2015

WINNERS AND LOSERS
ACP AND THE DOHA ROUND

Session-2

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Winners and losers

ACP and the Doha Round

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Australian National University

Trade Policy and Sustainable Development Meeting
UNCTAD, Geneva, 6-8th October 2015

Can Doha be revived?

- Unresolved since 2008
- Much is agreed
- Obstacles remain
- Renewed interest, new proposals

Trading environment changed

- Rising prices
- Food security
- Domestic support
- Public stockholding
- RTAs
- Emerging markets

Look at two proposals

- Rev 4 Draft Modalities
- Paraguay proposal
  - average cut 54% with minimum of 20%.
  - 5% SP with cut of 10%
  - DVG 36/15%, 12% SP

Assess impact on ACP countries

Average cut not cut in average

- Tariff cuts are unweighted
- To get 54% average, cut 42.5% by 100%
- Remainder by 20%
- Larger cut could be on low tariffs

Little better than minimum.

Tariff peaks untouched.

Request and offer difficult to quantify.

Global general equilibrium

- GTAP
- Version 9, base 2011
- Bilateral trade and tariffs
- Includes preferential tariffs (needed for FTAs) from TASTE
- Whole economy
- Includes resource (land, labour, capital) constraints
- Limitation - each country: one region, one household

TASTE

- Aggregates tariffs weighted by bilateral trade
- Contains bilateral bound and applied tariffs and trade
- 5052 HS6 commodities x 236 regions
- 186,835,304 records
- Aggregate to 30 sectors x 32 regions
- Generate tariff cuts for GTAP

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Sectoral coverage

Agriculture	Industrial	Services
Rice	Beverages & tobacco	Transport and comm.
Wheat	Textiles	Business services
Vegetables, fruit, nuts	Wearing apparel	Other services
Sugar	Leather	
Plant fibres	Electronics	
Other crops	Petroleum, coal products	
Forestry & fishing	Motor vehicle & trans equip	
Resources	Wood & paper products	
Beef and veal	Chemical, rubber & plastics	
Pork and poultry	Machinery and equipment nec	
Dairy products	Mineral products nec	
Food products nec	Manufactures	

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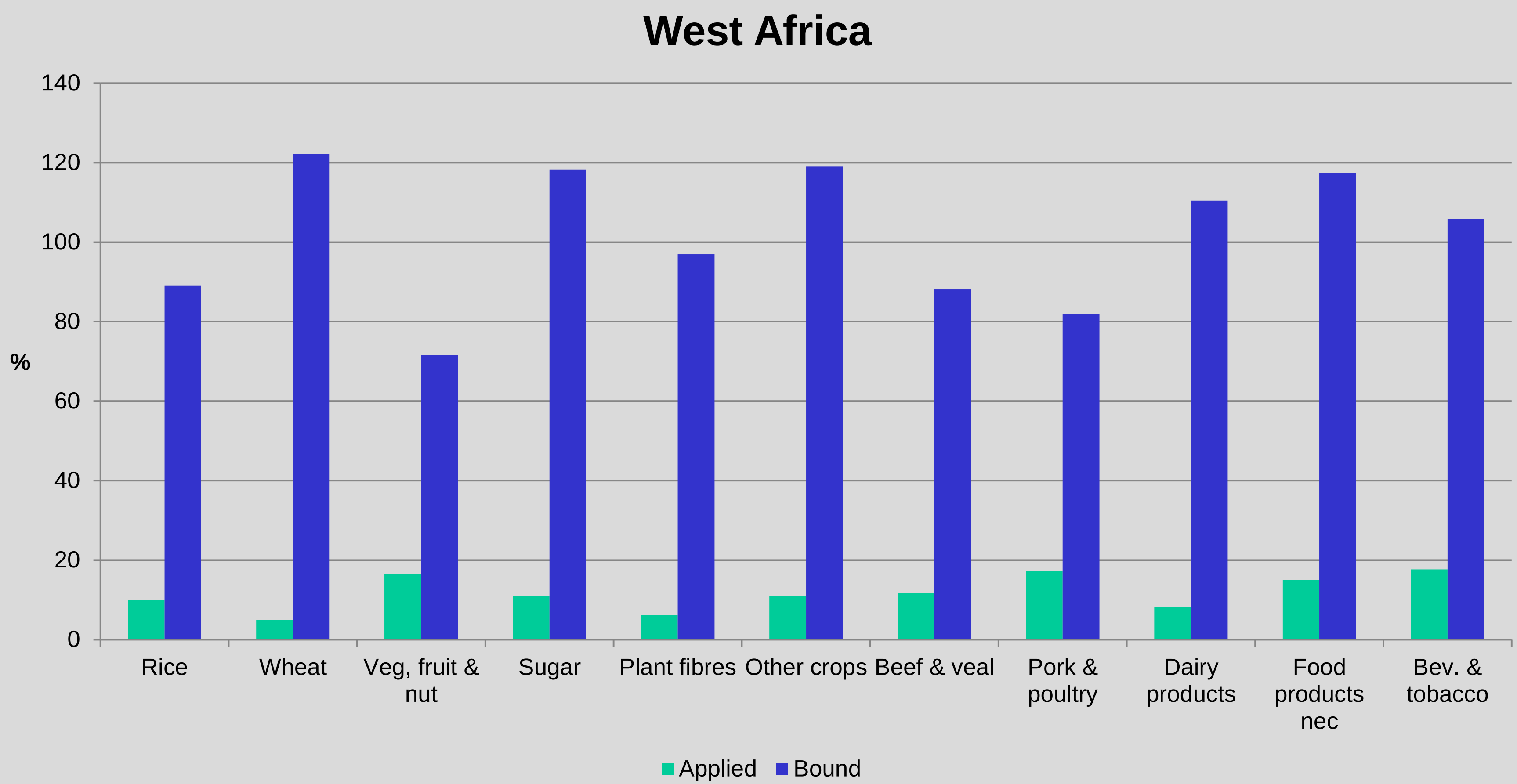
Regions

	Non-ACP		ACP
EU_27	European Union 27	WA	West Africa
USA	USA	CA	Central Africa
JPN	Japan	EA	East Africa
KOR	Korea	SA	Southern Africa
ODV	Other developed	CRB	Caribbean
CHINA	China & HK	PAC	Pacific
IND	India	WA	West Africa
ASEAN	Asia		
XAS	Other Asia		
LAM	Latin America		
MENA	Middle East and North Africa		
RoW	Rest of World		

Bound vs applied



Source: GTAP v9

Bound vs applied

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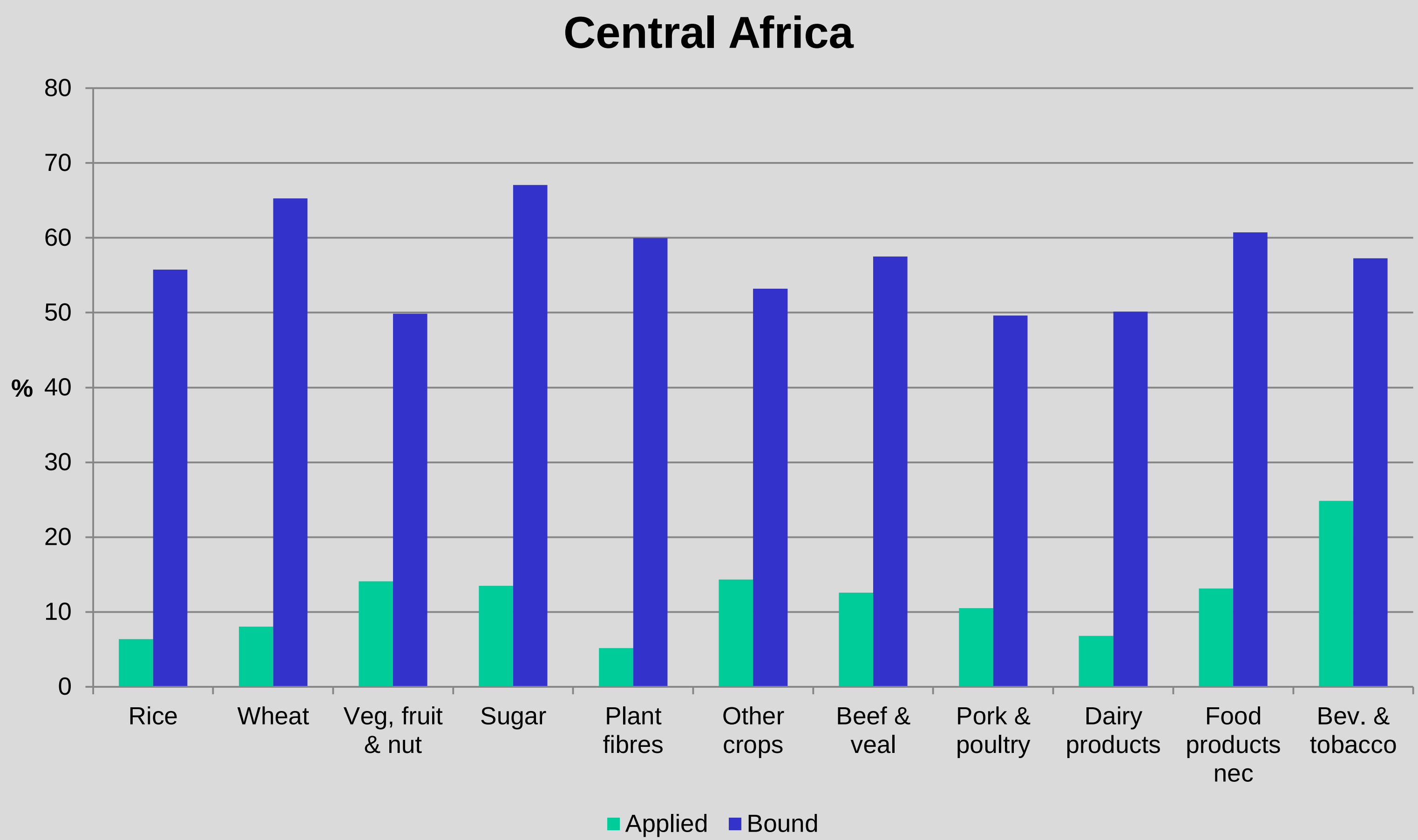

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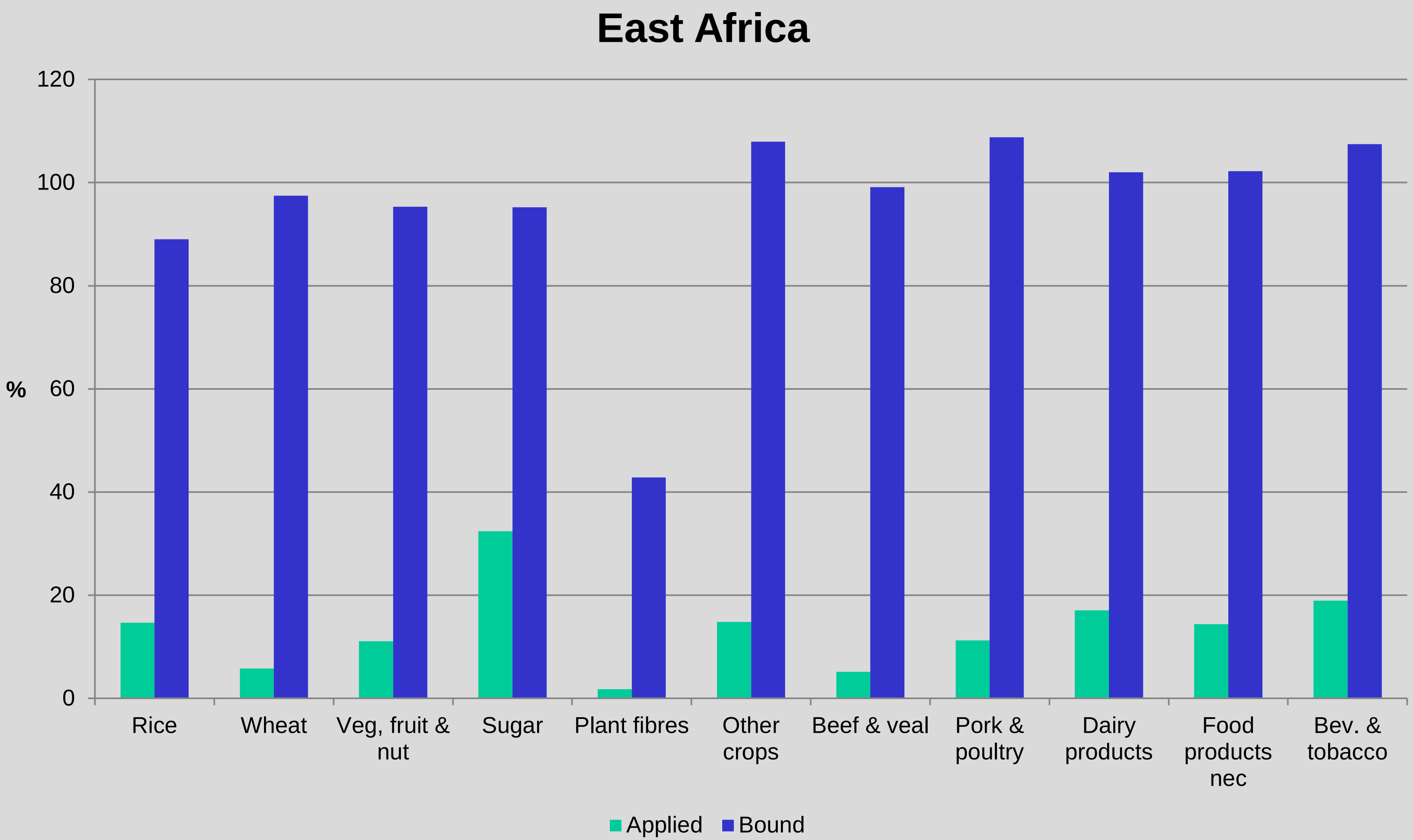

Bound vs applied

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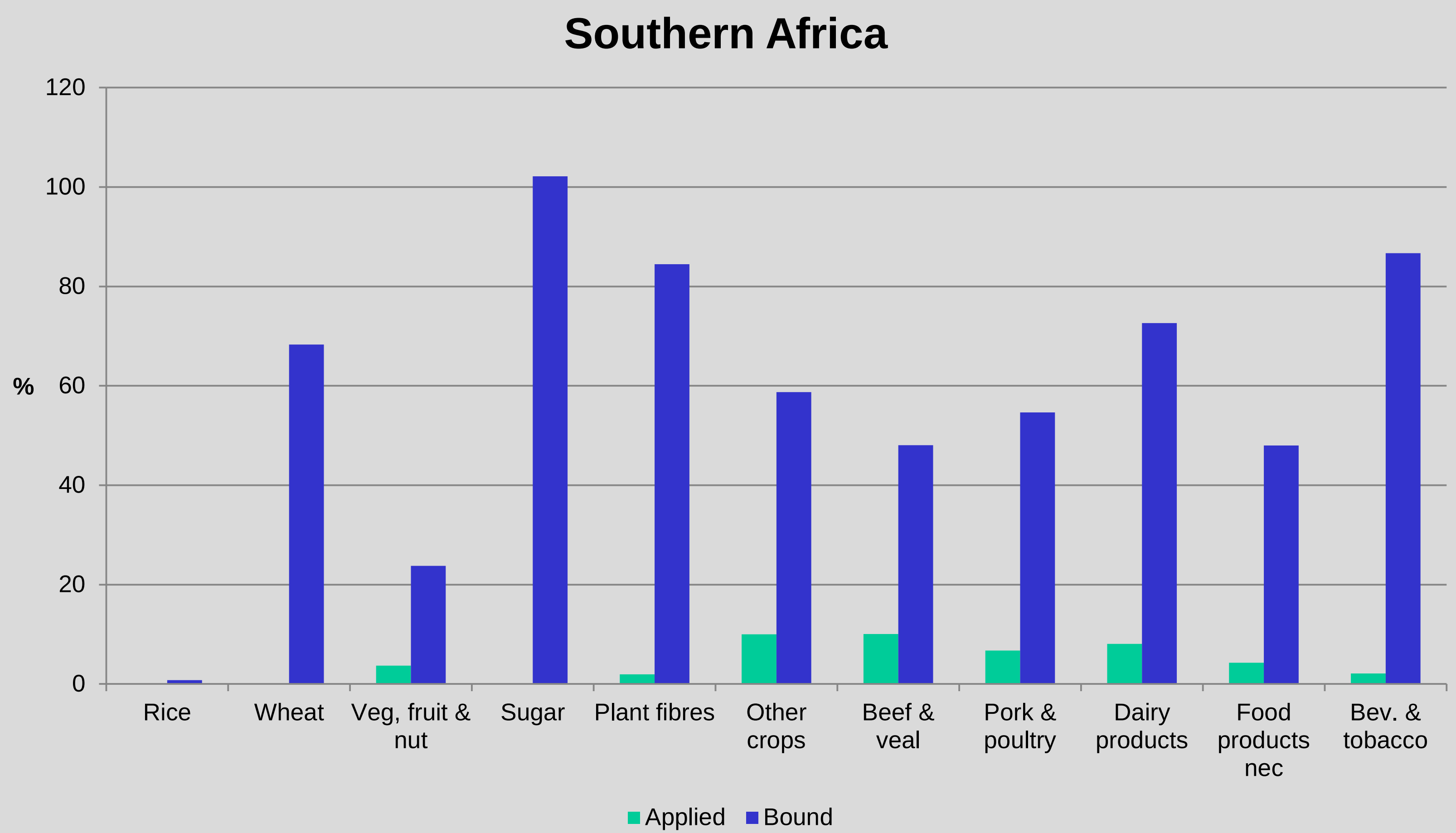

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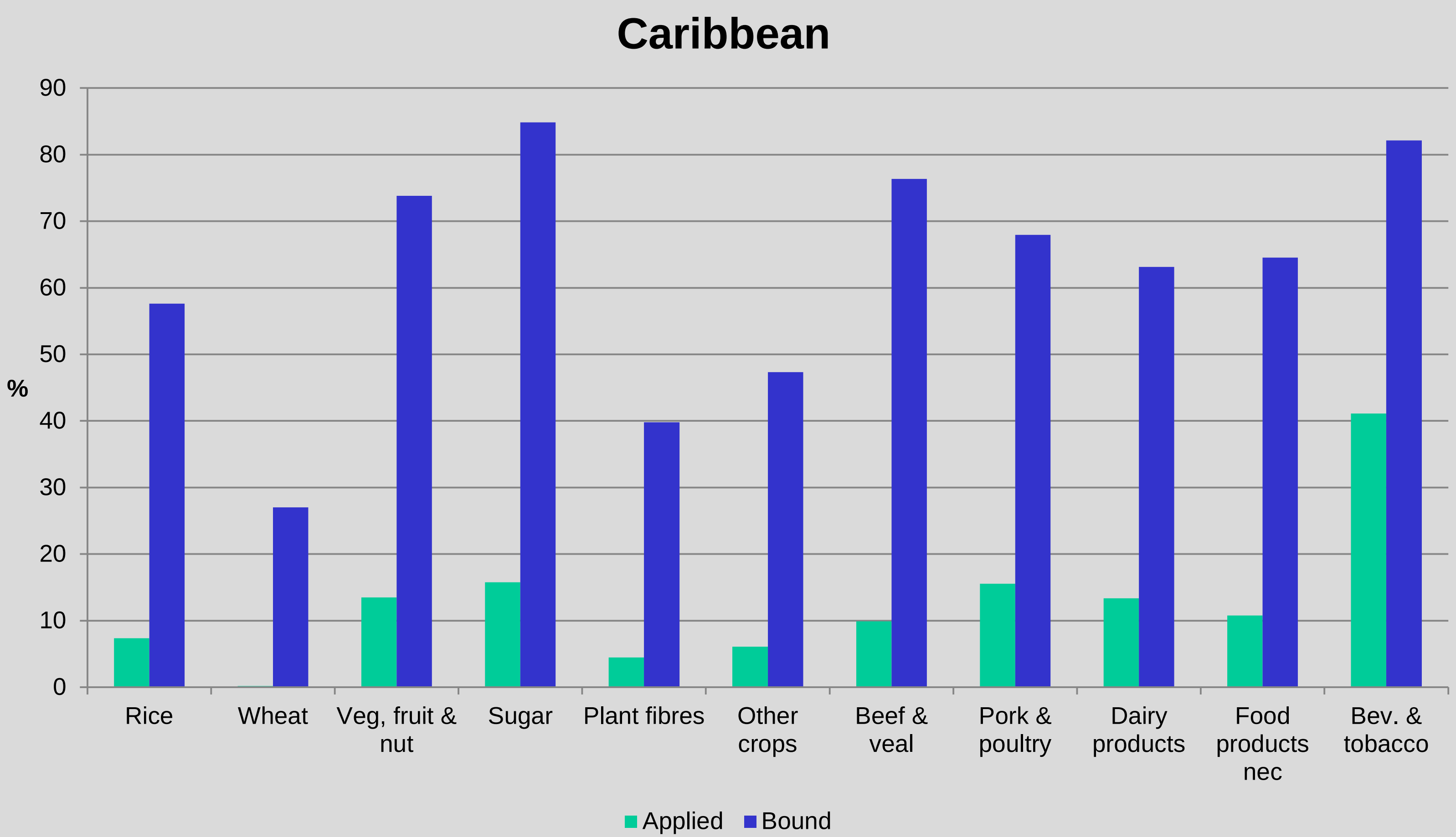

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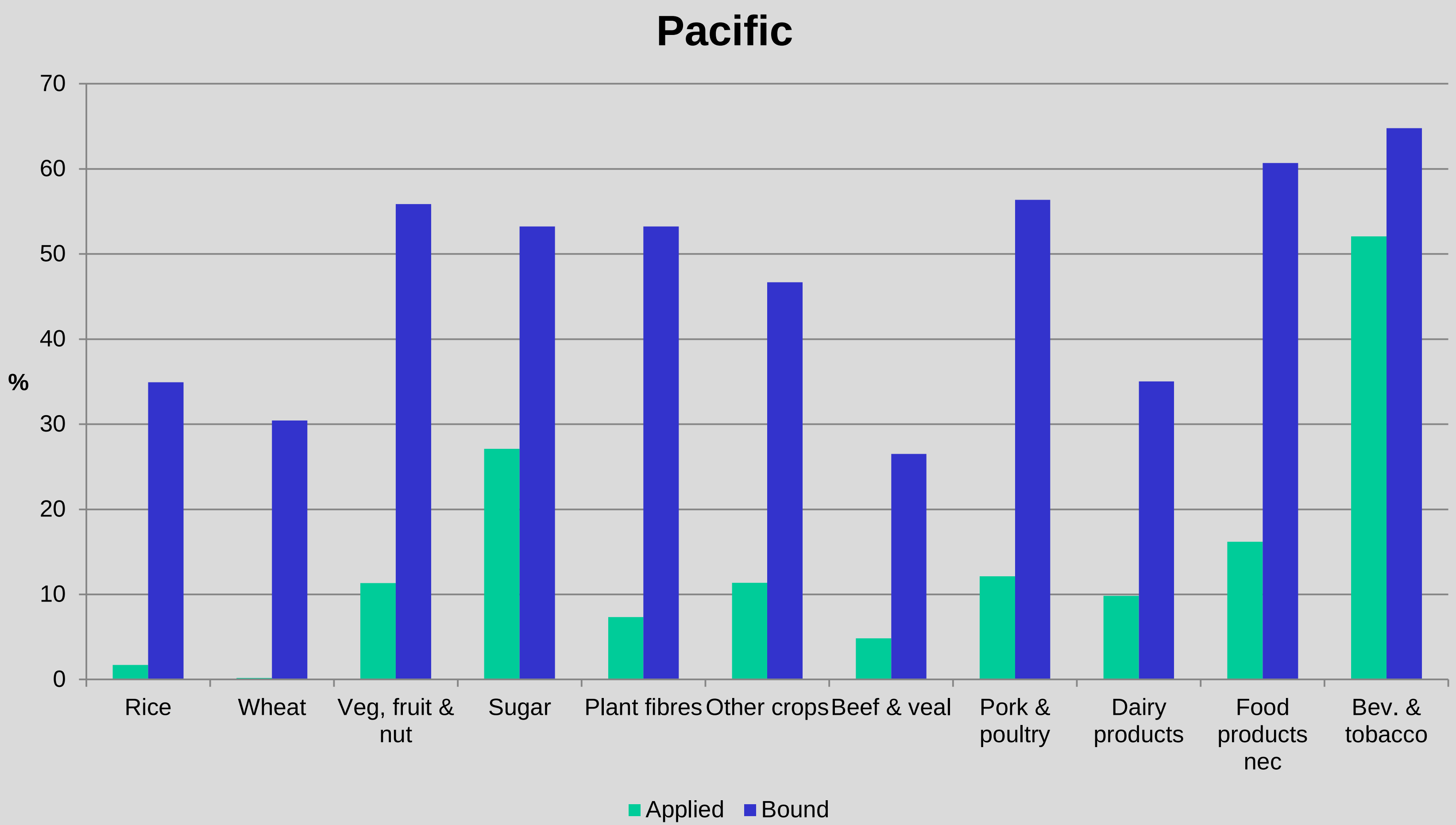
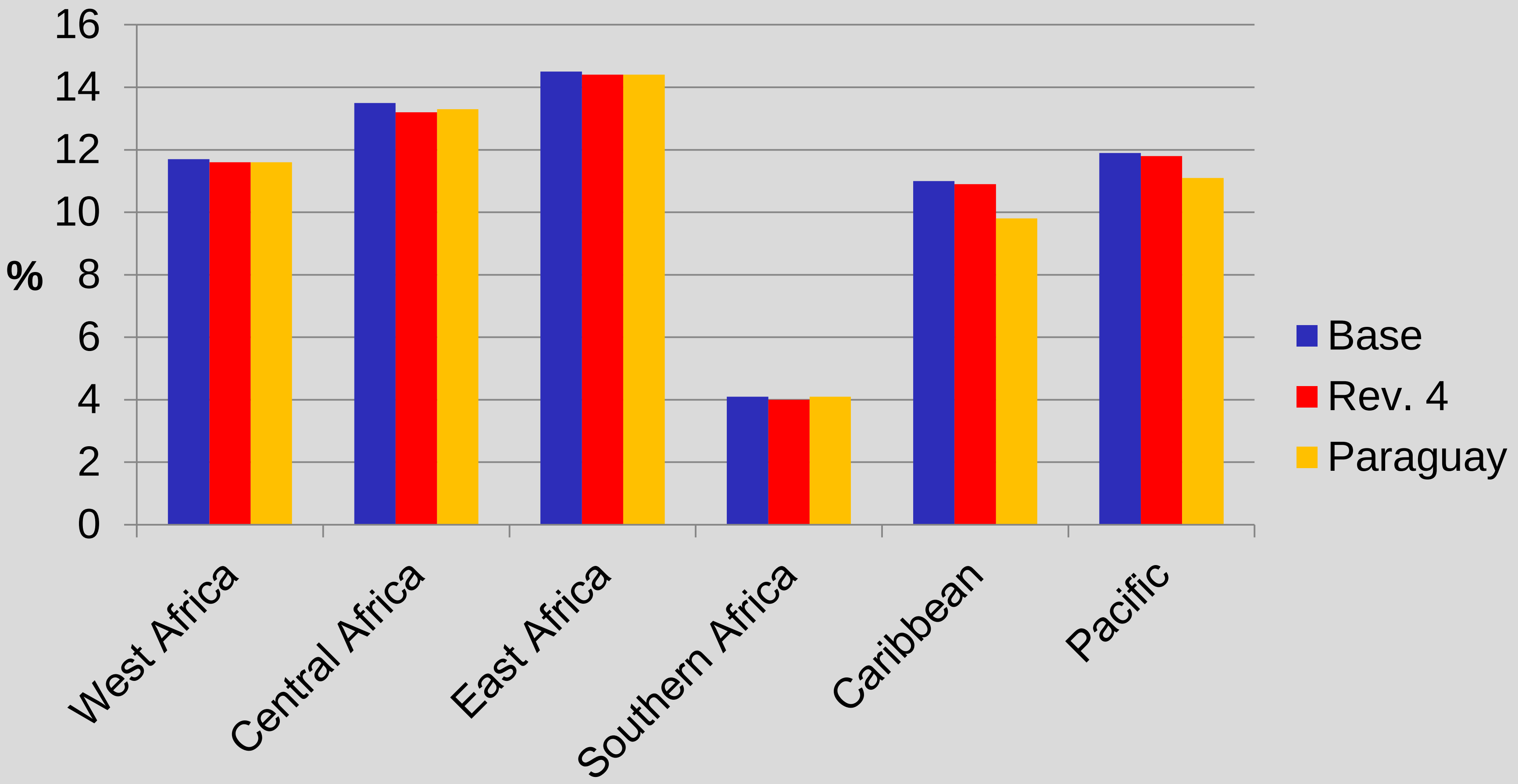


Tariffs facing ACP ag exports

	2008	2011	2014
	%	%	%
Bound	55.4	65.2	32.2
MFN	13.3	13.9	10.1
Preferential	9.7	8.7	4.0

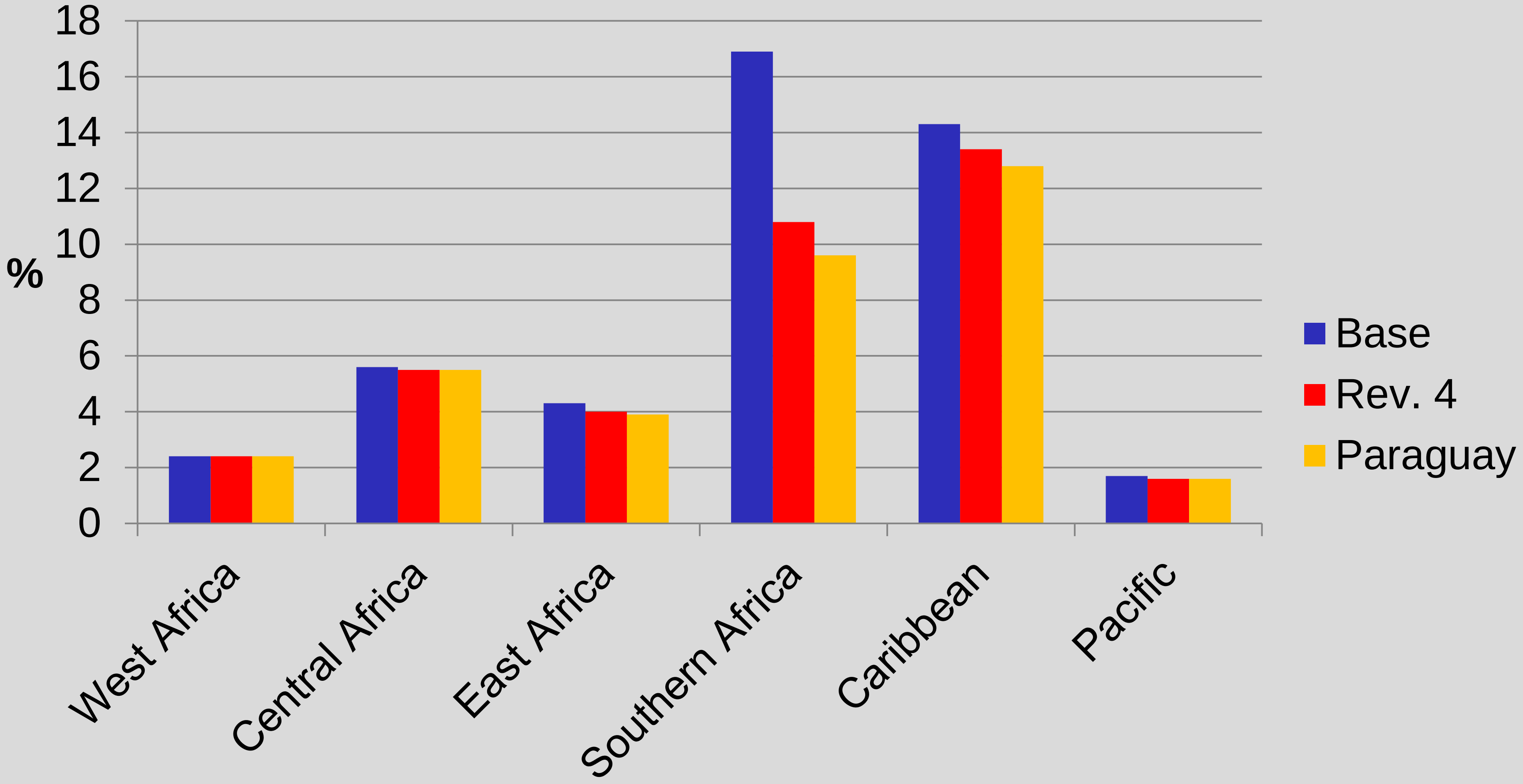
Source: WTO IDB via WITS.

ACP applied tariffs
under alternative proposals



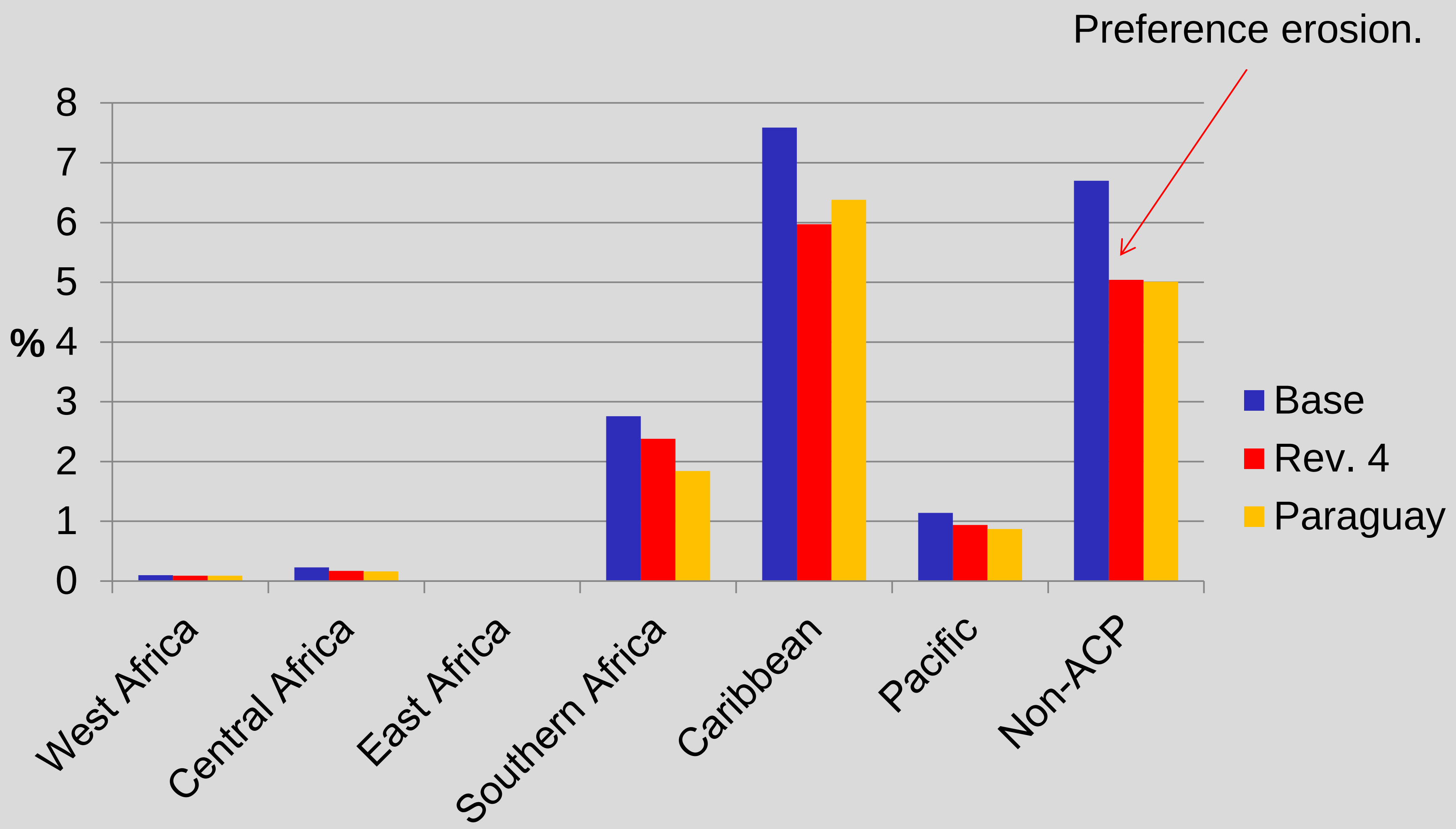
Source: Calculations with TASTE.

Applied tariffs facing ACP



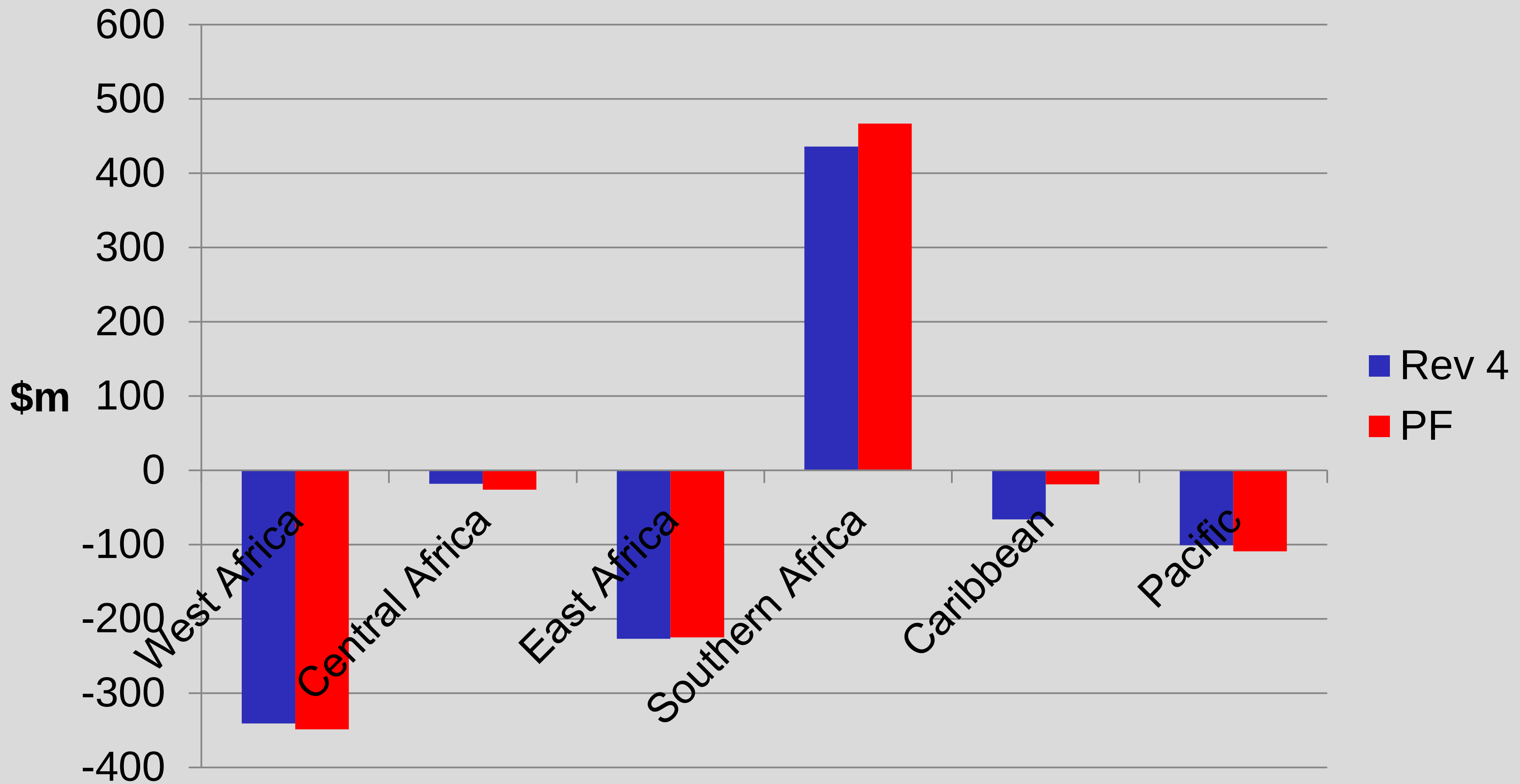
Source: Calculations with TASTE.

Applied tariffs facing ACP exports to EU



Source: Calculations with TASTE.

Welfare impacts



Source: GTAP simulations.

Implications for ACP

- Preference erosion a problem
- Rising prices of temperate product imports
- Less ambitious outcome would suit
- Not much difference between Rev. 4 and PF
- But PF not harmonising, not transparent
- NAMA also important. Less ambitious favours ACP
- Export subsidies not significant for ACP
- ACP favoured by loose interpretation of domestic support rules.
- ACP should support Doha not RTAs.

Limitations

- Would tariff cuts be implemented as modelled here?
- NTBs, AD ignored
- Ignore R&O approach
- Aggregation into six ACP groups from 77.
- Static not dynamic.

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The End